EXECUTIVE SUMMARY AND RECOMMENDATIONS

CONCLUSIONS

1. the revised procedures of the Philip Morris U.S.A. Records Management Manual as to transfer, circulation, and disposal of records in storage have not been implemented;

RESPONSE:

At the time of the writing of this report the new Records Management Retention and Disposal Procedures were not implemented. However, as far as the transfer and circulation of records this has been in effect as of October 1990. The disposal of active and inactive records will commence upon the finalization and full execution of each department's retention schedule.

2. through indices of the contents of cartons we reviewed were accurate, the potential exists for discrepancies to arise;

RESPONSE:

We are currently ensuring that record cases are not forwarded to the Carlstadt Records Center unless they have been properly coded in line with the new Records Retention Schedule. All boxes sent to the Records Center will be reviewed against the record log cards prior to acceptance of the transmitted materials for storage. The audit team, while reviewing carton contents against the records log card stated "that for all cartons found at Carlstadt the contents appeared to conform to the records log card listing the documents originally placed in that carton." The existence of discrepancies within the indices of the box inventories was not supported. The complexity and amount of documentation associated with a large organization and the different methods of accessing it essentially require an automated index approach. The implementation of a new Active/Inactive Records Management System will assist in the validation of the integrity of the indices.

3. the circulation of records and cartons cannot be thoroughly traced;

RESPONSE:

A greater degree of supervisory controls now exist to better monitor the tracking, retrieval and follow up of all records sent to and from the Carlstadt Records Center. It is unacceptable to lose a records box or information from a file.

2043486167

Source: https://www.industrydocuments.ucsf.edu/docs/pzvk0000

4. a significant lag time exists between the time records are scheduled for disposal and their actual destruction;

RESPONSE:

This issue must be addressed by two observations, 1) currently all record cases which have been approved for destruction and are scheduled to be shredded on site at the Records Center are now normally destroyed within 24 hours of receipt of destruction notice. During high volume disposal cycles, a vendor is contacted for a timely destruction of records at an offsite location. 2) the staff of Shook, Hardy and Bacon perhaps saw destruction dates on record cases dated several years old. The Records Management staff always promptly updates the automated system with new retention and disposal dates to track and monitor the issue of destruction notices. It is not necessary to update the record box labels.

5. while disposal suspension procedures are adequate, some cartons that should be under disposal suspension have "slipped through the cracks."

RESPONSE:

While this statement may be true, it must be pointed out that the Records Management department did not start receiving disposal suspension notices until January 1990. Therefore several record cases that may have slipped through the cracks were due to the Records Management Department not being advised that these record cases were under suspension.

RECOMMENDATIONS

1. the prompt purchase and installation of Versatile;

RESPONSE:

We totally agree that the present automated system is inadequate for our needs. Records Management is working with the ICS Group to identify and install a new system. It's our objective to provide a records management system that will address our current and future organizational needs, with sufficient flexibility to accommodate the incorporation of new technological advances and information management capabilities. Versatile is strongly being considered for implementation.

2. the implementation of the revised procedures found in the Philip Morris U.S.A. Records Management Manual;

RESPONSE:

Through the recent efforts of the Records Management Staff, various actions have been taken to implement the procedures in the PM USA Manual. However, additional training for USA Coordinators will result in a smoother transition to the new procedures.

2043486168

Source: https://www.industrydocuments.ucsf.edu/docs/pzvk0000

3. employees no longer be permitted to request cartons for storage of records except at designated transfer times;

RESPONSE:

At the present time employees are still requesting empty cartons, however, when they request a pick up of those records, prior to a pick-up, the Records Analyst is checking with the employees to ensure compliance with the new Records Retention Schedule to ensure these records are in fact due for transfer. Upon the final execution and approval of each department's retention schedule a designated transfer date for each record series can be instituted by Records Management. However, we must still be flexible and accommodate special requests for records transfer on a case by case basis.

4. relabeling of cartons already in storage according to the revised procedures;

RESPONSE:

All cartons that are retrieved from Carlstadt for review will not be accepted in Carlstadt unless they have been reclassified in accordance with the Records Retention Schedule. In view of the large number of record cases currently stored at Carlstadt, and as the department employees will need to personally review these files and to recode them, this aspect of the conversion to the new procedures will be time consuming. In addition, a systematic inventory of box contents and storage locations will also be undertaken by the Carlstadt staff to identify records and boxes not currently entered into the current automated system.

5. revision of appropriate forms to reflect better the revised procedures;

RESPONSE:

Through the efforts of the Records Analyst and after consultation with Hunton & Williams and the Legal Department the majority of appropriate new forms have been revised/created and approved and are in force. New forms will be generated as required by the implementation of new Records Management department procedures.

6. periodic spot-checks of cartons transferred to the Records Center and cartons authorized for disposal;

RESPONSE:

The Carlstadt staff will review the contents of all transferred boxes against their records log card prior to their acceptance into the Records Center.

2043486169

Source: https://www.industrydocuments.ucsf.edu/docs/pzvk0000

7. disposal notices be followed up every thirty days until a response is received;

RESPONSE:

The Records Management Department will track and follow up disposal notices not returned within thirty days of issue. At present, the procedure for the follow up of disposal notices differs between USA and International. The USA procedure states: "If the responsible records management group has not received a response within thirty (30) days of transmission of a Disposal Notice, contact will be made with that Records Coordinator. **Continued failure to comply will result in referral to the department head.** The International procedure states: "If Records Management has not received a response within thirty (30) days of transmission of a Disposal Notice, contact will be made with that Records Coordinator. **If no response is received within ten (10) days thereafter, Records Management will consult with the Philip Morris International Legal Department and, upon the approval of the Legal Department, will dispose of records in storage without the approval of the department to which records belong."**

The standardization of the follow-up procedure would enable Records Management to more effectively carry out the destruction authorization process. In addition, the implementation of a new Active/Inactive Records Management System will enable us to more effectively identify and issue request for records disposal to reduce the retention of paper records to the minimum required by law and decrease record retention costs per unit in both space and labor.

8. cartons under disposal suspension should be physically segregated and red stickers placed on each carton and every file folder within each carton indicating they are under disposal suspension.

RESPONSE:

The Records Management staff does not see the need to physically segregate record cases classified as <u>disposal suspension</u>. What is important is that the record cases are clearly tagged with red stickers, and these records are maintained in the system to clearly show <u>disposal suspension status</u>. When a box is circulated a letter will be forwarded to all requestors indicating that these records are under suspension disposal and informing them that these records cannot be removed or destroyed.

2043486170

Source: https://www.industrydocuments.ucsf.edu/docs/pzvk0000

9. training and orientation programs be expanded and regularly provided.

RESPONSE:

We fully agree with the immediate need for training and orientation. We understand that such training will in the future be the responsibility of the Records Management Department.

We will schedule quarterly training sessions for all Records Coordinators focusing upon general records management information, straight forward how-to-do-it instructions and cooperative creative problem solving. Proactive meetings will be scheduled with individuals to address special unique problems specific to one group.

10. we recommend that Records Management be assigned another Records Analyst and possibly another Carlstadt employee;

RESPONSE:

We fully agree with the recommendation that, due to the workload, Records Management should be allocated two additional headcounts. One of the first assignments for the new Supervisor, Records Management will be to analyze the staffing needs, work assignments and job descriptions of existing employees. In addition he will totally review all procedures and operations of the Carlstadt Records Center.

2043486171

Source: https://www.industrydocuments.ucsf.edu/docs/pzvk0000